

**Information Network of Kansas
Board of Directors Meeting
September 15, 2005 Minutes**

The September 15, 2005 meeting was held at the KDOT Office, 700 SW Harrison, Topeka, KS 66603. At 2:00 p.m., Tom Winters called the meeting to order.

The following board members and proxy were present: Tom Winters, Roger Winfrey, Stan Ahlerich, Ben Nelson, Dan Yunk, Duncan Friend, Bruce Flanders, Kathy Sachs and Denise Moore. Others present were: Jim Hollingsworth, INK Executive Director; Dan Korber, Kansas, Inc.; Tracy Smith, Dianna Wages, and Brian Stevenson of Kansas Information Consortium (KIC);

Hollingsworth started the meeting by informing the board that Thompson would not be attending the meeting and had removed his name from the list of candidates to be reappointed to the board.

Approval of Minutes – July 21, 2005

Winters requested corrections to the minutes of the July 21, 2005 meeting. Discussion ensued. Hollingsworth noted that Joan Wagnon attended the meeting and be added to the minutes. A motion was made by Winfrey to approve the July 21, 2005 minutes with the corrections. Nelson seconded. Motion passed.

Chairman's Report

Filling in for the Chairman, Hollingsworth reported that he had met with the Executive Committee, and their recommendation was that Hollingsworth's contract be extended. Winters requested that the Executive Session be postponed to the end of the agenda to discuss various contract issues.

Hollingsworth presented the financial audit letter received from National Information Consortium (NIC) regarding the annual audit of the financial statements of INK for the year ended June 30, 2004. The auditor stated: "Reportable condition: We noted that the accounts receivable subsidiary ledger was not reconciled to the general ledger on a regular and timely basis." Smith noted that additional procedures and resources had been put in place to ensure a good audit. Discussion ensued.

Treasurer's Report

Filling in for the Treasurer, Hollingsworth presented the financial report for the 12-month period ending June 30, 2005. Hollingsworth noted some of the highlights and that there were no exceptions outside the norm.

Hollingsworth then discussed the 2005 Financial Audit and the agreed-upon procedures that would be used. With the Department of Revenue, there were no major issues reported.

Discussion ensued. A motion to approve the 2005 Financial Audit agreed-upon procedures and file for audit was made by Ahlerich. Yunk seconded. Motion carried.

Network Manager Report

Smith provided the KIC financial report for the July 2005. Smith noted that they were exceeding the budget by 7%. Reasoning behind this was partially due to the DMV revenues and the Kansas Integrated Court System revenues not being there because their systems had problems or weren't live yet.

Smith reported information about the KBI, Corporate Searches, Business Tax Revenue, and Service Requests.

Smith discussed several Service Requests. Service Request 354, through the Kansas Center for Entrepreneurship, would be used to create a centralized hub to generate efficiencies in their system. Smith recommended not approving Service Request 354 because the extent of the request was outside the scope of what they provide in the form of a free website. Service Request 355, The Teacher Application Payment Portal, which would provide a payment portion for this project, was recommended to approve and go forward. Service Request 356, The Kansas Contractors Association wanted to add streaming audio, and it was recommended to approve and organize a meeting. Service Request 357, The Kansas Training e-Learning Payment Portal, would provide a payment mechanism for learners to register to use the KS.TRAIN system. The request was recommended to approve and go ahead with this project. Discussion ensued.

Bruce Flanders joined the meeting.
Tim Blevins joined the meeting by telephone.

Hollingsworth discussed that he had not reviewed any of the current service requests, and suggested that future requests go through him for recommendations before they reach the board for discussion and approval. Discussion ensued.

Yunk motioned that the board follow the service request recommendations, approve Service Requests 355, 356, 357, and not approve Service Request 354. Winfrey seconded the motion. Motion carried.

Yunk noted that the role of the Executive Director and KIC be addressed regarding reviewing service requests before the board meetings. Discussion ensued.

Smith then presented the new Kansas.gov logo and website to the board; however technical difficulties moved this presentation to later in the meeting. Discussion of the marketing aspects of this new logo ensued.

Smith discussed with the board including in their line item budget, \$15,000 to promote the Kansas.gov website launch. Smith proposed using online ads and promotional items from promotion. Discussion ensued. Motion was made by Winfrey to approve \$15,000 in the FY 2006 INK expense budget. Winters seconded. Motion carried.

Executive Director Report

Hollingsworth updated the board on the bank selection process. In reviewing the UMB ACH Agreement, he noted issues with the last line stated in the ACH agreement "and regardless of any other defect in the ACH transmission." Discussion ensued.

Hollingsworth reported to the board on the proposed contract amendment between KIC and INK on delivery of current system information. Smith provided information regarding KIC's standpoint. Discussion ensued. Ahlerich requested a panel of the board be designated to determine the contractual rights to access and view the source code tapes. Winters appointed Blevins, Nelson, INK Counsel and the Executive Director to meet and provide a report to the board at the next meeting.

Hollingsworth and Smith provided information on the Escrow agreement regarding the tape storage information that is currently being kept for the portal. Associated costs and concerns about use and security issues associated with the backup tapes were discussed. Tape accessibility and information regarding security issues were presented. Discussion ensued. Ahlerich motioned that the Board Team members and NIC further discuss the issues surrounding the Escrow agreement and determine whether the language within the agreement should be changed. Winfrey seconded. Motion carried.

Hollingsworth updated the board on the status of the 2005 security audit. Discussion ensued. Nelson motioned that the board move forward and contract with Fishnet Security for the \$25,000 audit. Winters seconded. Motion carried.

Hollingsworth provided an update to the board on the Office of Judicial Administration (OJA) agreement status. Currently they want INK to be able to provide court records for the entire state. They agree in principle, but there are some usability issues, such as with the accelerated payment and interactive search tracking. The board was in agreement that it should move forward with this project. Discussion ensued. Winters noted that the minutes should reflect the discussion about OJA and that Hollingsworth and Smith should continue work on this project and bring a final plan, including analysis, statistics, and a final contract to the board.

Hollingsworth reported that the presentation to the Joint Committee on Information and Technology (JCIT) was going to be on September 22, 2005.

Hollingsworth updated the board on the status of the INK Satisfaction Survey. The survey was sent to 137 people, 45 were rejected, 95 went through, and 37 responded. This was determined to be not sufficient enough so another 135 people were sent the survey. The final report should be ready in the near future. Discussion ensued.

Other Business

The Grant Committee provided an update on their proposals. Three requests were presented; The DASC proposal, regarding Geospatial Mapping, the Small Business Development Center

proposal, and The Consortium. The Committee recommendations were to approve the DASC and Small Business Development Center proposals, and not approve the Consortium proposal. Discussion ensued. Winfrey motioned that the board follow the recommendations of the Grant Committee, and extend offers for the DASC Group proposal and the Small Business Development Center proposal, and not approve the Consortium proposal. Winters seconded. Motion carried.

Hollingsworth reported to the board on the ongoing lease agreement between Kansas, Inc. and INK. Hollingsworth recommended that the contract be renewed. Winters motioned that the contract between Kansas, Inc. and INK for office space and administrative services be accepted. Winfrey seconded. Motion carried.

Further discussion was held regarding the status of the current chairman of INK and the processes related to filling the position.

Winters moved that the open meeting of the Information Network of Kansas be recessed for a closed, executive meeting pursuant to Joint Rule 5 of the Joint Rules of the Senate and House of Representatives and subsection (b) (13) of KSA 2000 Supp. 75-4319, as amended by Section 2 of Chapter 190 of the 2001 Session Laws of Kansas, for the purpose of personnel matters of non-elected personnel. No binding action shall be taken during closed or executive session. And that the Information Network of Kansas resume the open meeting in this room, at 4:20pm, and that this motion, if adopted, be recorded in the minutes of this meeting of the Information Network of Kansas and be maintained as a part of the permanent records of the Board.

The board asked Hollingsworth to stay for the closed executive meeting.

At 4:20 p.m., Winters called the meeting back to order and announced that no action had been taken.

Yunk made a motion to renew the current contract with Hollingsworth as Executive Director for 1 year, with a 2.5% increase relative to state's fiscal year payroll ending date. Winfrey seconded. Motion carried.

The meeting was adjourned at 4:30 p.m.

A handwritten signature in cursive script that reads "Denise Moore".

Denise Moore, Secretary